

FISCAL NOTE

SB 107

February 7, 2007

SUMMARY OF BILL: Requires that every newborn infant be screened for hearing loss, unless a parent objects on religious grounds. Requires insurance policies to cover the infant hearing screening tests as described in the legislation.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Other Fiscal Impact – The Department of Health currently receives a \$150,000 federal newborn hearing screening follow-up grant from the Department of Health and Human Services. Such grant could be placed in jeopardy if required reporting data was not properly reported to the Department of Health.

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation would result in a not significant increase in the cost of health insurance premiums for plans that do not currently offer hearing screenings for newborns.

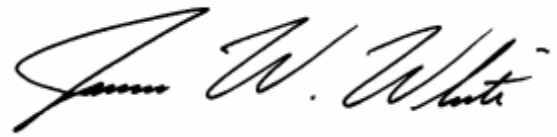
Assumptions:

- There will not be a significant increase in state expenditures for the Departments of Education and Health to promulgate rules.
- There will not be a significant increase in state expenditures to the Tennessee Early Intervention System to provide services for referred children.
- The TennCare program currently reimburses plans for hearing screening services. Such screenings are also included in the bundled payments to hospitals by Managed Care Organizations (MCO). MCOs budget and pay for such screenings in alternative settings for the infants not delivered in hospitals.
- All hospitals in Tennessee have the necessary testing equipment.
- Local health departments will refer newborns which were born outside of a hospital to a clinic or hospital that contains the necessary testing equipment.

- The Department of Health is not responsible for reimbursing health care providers for testing newborns that were born outside of a hospital setting.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director